

Media Release:

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Health Strategy facing a missed opportunity

The PHO Alliance has responded to today's Budget announcement of additional health and social investment funding saying that it is good in parts but misses the opportunity to appropriately recognise that a changed model of service (as is expected by the recently announced Health Strategy) will require targeted funding to build capacity and capability across the primary care sector.

Whilst more detail is also needed regarding future funding to be made available for VLCA, Care Plus, under-13s and the incentives framework being proposed for primary care, the PHO Alliance welcomes the intention to roll-out bowel screening and the increase in funding for Pharmac.

"The Government has placed significant expectations on primary care to play a much greater role in addressing the wider determinants of health, managing acute demand and taking greater responsibility for managing preventable admissions." says PHO Alliance chairman, John Ayling. "Whilst we currently have a great primary care system, we know we cannot deliver essential new models of care within existing and reducing financial resources. The PSAAP* meeting earlier this month acknowledged that without addressing primary care funding discrepancies there is little chance of successfully delivering the new System Level Measures or the Government's Health Strategy. Similarly, PSAAP noted that patients themselves are likely to have to cover the continual erosion in annual baseline funding uplifts through increased co-payments - including for those patients who can least afford to pay and who need the health system's support the most."

On the wider determinants of health and the budget announcement relating to Social Investment funding, Dr Andrew Miller, Northland GP and member of the PHO Alliance Executive Committee, said any additional funding to directly address cold and damp housing has to be welcomed but further information was being sought to clarify how the proposed four year funding of \$18 million compares to the \$100 million announced in Budget 2013. "This programme has already provided significant evidence of the health, social and economic investment benefits of ensuring homes are retro-fitted with insulation and heating for the benefit of ill children and the most vulnerable members of our communities. It would be hard to understand how system level targets can be set to reduce ASH** rates for 0-4 year olds at the same time as potentially reducing funding to improve housing insulation for the same high needs populations who end up hospitalised with avoidable conditions related to cold and damp living conditions."

Mr Ayling believes appropriate levels of primary care investment must be targeted now to ensure the delivery of expected patient level outcomes and for the future sustainability of the whole health and social care infrastructure in New Zealand. "If the Government fails to invest appropriately in primary care capacity and capability through Primary Health Organisations for those communities most in need, its Strategy will certainly fail."

Further information about the PHO Alliance and its full series of policy discussion documents are available to download from the PHO Alliance website here: <http://www.phoalliance.org.nz>

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